Will the PRIME MINISTER be pleased to state;

(a) the refining capacity and the actual performance of Indian Oil Corporation during the last ten years;

(b) the operating target set by the IOC for 1997-98; and

(c) the measures proposed to monitor closely all the projects for optimum capacity utilisation?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) The Refining capacity and actual performance of the IOC for the last ten years is as under:

(FIGS IN MMT)

Year	Capacity	Actual performance
1987-88	21.25	21.79
1988-89	21.25	22.00
1989-90	24.40	23.53
1990-91	24.40	23.74
1991-92	24.40	24.29
1992-93	24.40	24.32
1993-94	24.40	24.74
1994-95	24.55	25.16
1995-96	24.55	25.64
1996-97	24.55	25.14

(b) The estimated opearating target of the IOC for the year 1997-98 has been set as 25.40 MMT.

(c) Apart from in-house monitoring the projects are regularly monitored in quarterly performance review (QPR) meetings by Government.

Price—Hike of Petroleum Products

*573. SHRI GOVINDRAM MIRI:
SHRI PARAG CHALIHA:

Will the PRIME MINISTRY be pleased to state:

(a) whether the Prime Minister in his interview telecast on DD1 on May 1, 1997 night, had indicated that the prices of petroleum products would certainly go up and that this price rise was unavoidable, as reported in the 'Hindustan Times' dated the 2nd May, 1997;

(b) if so, the details thereof and the reasons therefor;

(c) whether it is a fact that the oil pool deficit stands at Rs. 18,000 crores, out of which IOC's claim alone stands at Rs. 9,000 crores; and

(d) if so, what steps Government propose to take in this regar, including decision on privatising the oil business in the country in the near future?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI T.R. BAALU): (a) to (d) Oil Pool Account is estimated to be in deficit of Rs. 15,500 crores by 31.3.97. This amount represents outstanding dues payable to the oil companies by OCC. The outstandings of IOC are estimated to be Rs. 9000 crores as on 31.3.97. The pool account got adversely affected in October, 96 due to steep increase in the prices of the crude oil & petroleum products in the international market, Rupee-Dollar exchange rate variation, increase in the Rail freight and changes in the Customs & Excise duty announced in the Finance Bill for 1996-97.

The position of the oil pool account is being monitored on a continuous basis and Government is exploring various options to contain the deficit in the oil pool account.

New initiatives and policy measures have been taken to open by the domestic petroleum sector for private investment. The significant policy measures taken in this regard are as folows:

(i) Opening up downstream refining sector to private investors.

(ii) Free import and marketing by private sector of LPG, Kerosene, Lubricats etc.